



# Results for the First Quarter 2022

Vienna, April 26, 2022 - Today, A1 Telekom Austria Group (VSE: TKA, OTC US: TKAGY) announces its results for the first quarter of 2022, ending March 31, 2022.

## Key performance indicators

in EUR million	Q1 2022	Q1 2021	% change
<b>Total revenues</b>	1,166.4	1,135.5	2.7
Service revenues	988.2	955.7	3.4
Equipment revenues	155.3	162.1	-4.2
Other operating income	23.0	17.8	29.4
<b>Wireless revenues</b>	689.5	668.5	3.1
Service revenues	547.4	518.9	5.5
Equipment revenues	142.0	149.5	-5.0
<b>Fixed-line revenues</b>	454.0	449.3	1.0
Service revenues	440.7	436.8	0.9
Equipment revenues	13.2	12.5	5.7
<b>EBITDA before restructuring</b>	452.7	419.3	7.9
% of total revenues	38.8%	36.9%	
<b>EBITDA</b>	431.6	398.3	8.4
% of total revenues	37.0%	35.1%	
<b>EBIT</b>	194.2	163.3	18.9
% of total revenues	16.7%	14.4%	
<b>Net result</b>	130.7	108.9	20.0
% of total revenues	11.2%	9.6%	
<b>Wireless indicators</b>	Q1 2022	Q1 2021	% change
<b>Wireless subscribers (thousands)</b>	22,921.2	21,931.7	4.5
Postpaid	19,092.0	18,013.7	6.0
Prepaid	3,829.1	3,918.0	-2.3
<b>ARPU (in EUR)</b>	8.0	7.9	1.2
<b>Mobile churn (%)</b>	1.3%	1.4%	
<b>Wireline indicators</b>	Q1 2022	Q1 2021	% change
<b>RGUs (thousands)</b>	6,073.9	6,082.1	-0.1

All comparisons are given year-on-year. EBITDA is defined as net income excluding financial result, income taxes, depreciation and amortization and impairment charges.

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<sup>1</sup>Alternative performance measures are included in this report. For details, please refer to the section 'Detailed figures'.

## Q1 2022 Analysis

### Group Summary

For the most of Q1 2022, the positive trends of the last quarters continued and resulted in solid set of quarterly results. A1 Telekom Austria Group again achieved revenue and EBITDA growth across the entire footprint. Service revenues increased in all markets, capitalizing on continued favorable trends and successful strategy execution. There was an uphold strong demand for high-bandwidth products, successful upselling measures, solid momentum with mobile WiFi routers as well as in the solutions and connectivity business. Due to eased COVID measures versus the comparison period, travelling returned and roaming traffic was higher compared to last year's first quarter, benefitting the results in the quarter under review.

Inflationary pressure stemming primarily from rising energy prices as well as macroeconomic instability due to the conflict between Ukraine and Russia were on the top of the agenda in the first quarter of 2022. A1 continues to concentrate on further cost discipline in order to mitigate certain parts of the inflation-driven increases.

- Group total revenues increased by 2.7% year-on-year, driven by service revenue growth in all markets.
- Equipment revenues decreased by 4.2%, as the market environment continued to be unchanged amidst a certain lack of high-value handset availability. A volume-driven decline in Bulgaria, Austria, and Belarus was only partly mitigated by the increase in Serbia.
- Mobile service revenues increased by 5.5% on a Group level, due to the solid performance of the mobile core business, mobile WiFi routers, as well as further recovery of roaming results.
- Fixed-line service revenues rose by 0.9% on a Group level, as solid growth of 9.5% in the international markets more than compensated for the decline in Austria. Continued traction of solution and connectivity business added to this, while EU IC regulation negatively weighed on revenues.
- The number of mobile subscribers rose by 4.5%, driven by the higher number of M2M subscribers as well as the higher number of mobile WiFi routers in all markets.
- The increase in mobile WiFi routers was also driving Internet@home higher, which grew by 4.5%.
- Group total RGUs remained stable as the increase in broadband and TV subscribers offset the voice decline.
- Roaming benefited results in Q1 2022 (positive impact yoy: ~ 1% of revenues; ~ 2% of EBITDA versus ~negative 3% on EBITDA in Q1 2021) due to returning travelling across the footprint, especially in Austria.
- Group EBITDA before restructuring charges grew by 7.9% (reported: 8.4%) driven by service revenue growth and the better equipment margin despite higher core OPEX.
  - In Austria, EBITDA before restructuring charges increased by 6.3% since higher service revenues and improved equipment margin offset higher core OPEX.
  - EBITDA in international operations increased by +8.9%. Growth throughout the footprint, with a particularly strong contribution from Belarus, Bulgaria and Serbia.
- Net result improved by 20.0% year-on-year in the first quarter of 2022, as solid operational performance could more than compensate for higher income tax expenses.
- Free cash flow increased in the quarter under review mainly due to the improved operational performance.
- EUR 750 mn bond was repaid from existing cash and proceeds from bank loans on April 4, 2022.

The presentation for the conference call and key figures of A1 Telekom Austria Group in Excel format ('Fact Sheet Q1 2022') are available on the website at [www.a1.group](http://www.a1.group).

The following factors should be considered in the analysis of A1 Telekom Austria Group's quarterly operating results:

- FX effects were minor. They amounted to EUR -0.2 mn in total revenues, EUR -0.1 mn in service revenues and EUR -0.1 mn in EBITDA in Q1 2022, as depreciation of Belarusian Ruble by -0.5% (period average) was not offset by positive currency trends in Croatia.
- There were neither in the reporting period, nor in the comparison period one-off effects in total revenues and EBITDA.
- Restructuring charges in Austria amounted to EUR 21.1 mn in Q1 2022 (Q1 2021: EUR 21.0 mn).

## Outlook

### Outlook confirmed

The Management of A1 Telekom Austria Group confirms the outlook for the financial year 2022 with total revenue growth of close to 3%. Under current circumstances, it arises an additional risk that the Belarusian ruble might be hit by negative trends. The initial outlook for 2022 includes a depreciation versus the Euro of 5-10% in 2022 (period average). After a sharp drop of the BYN in February and March, the currency appreciated again in April to pre-war level. Should the currency worsen again, this might have an impact on the expected revenues in 2022, i.e. in a scenario in which the currency depreciates by approximately 15% in 2022 (period average), the negative impact amounts to less than 1% on total Group revenues. Though, it should be noted that the predictability of the Belarusian ruble is very limited, especially under current circumstances and this is just an example for one scenario and the corresponding impact. Furthermore, equipment revenues might be stressed by supply chain challenges. Overall, EBITDA margin is still expected to slightly increase.

Capital expenditures, before spectrum investments and acquisitions are expected to increase by approximately 15% in 2022. The increase versus last year's CAPEX results mainly from higher investments in Austria dedicated to more fiber build, and to a small extent to more IT CAPEX and the 5G roll-out.

## Mobile Subscribers and Fixed-line RGUs

### Internet@home continued to grow: + 4.5% year-on-year in Q1 2022

In mobile communications, the number of subscribers of the A1 Telekom Austria Group rose by 4.5% to a total of 22.9 million in the first quarter of 2022. The growth was mainly driven by a strong increase in M2M subscribers. Also, the growth in contract customers (ex M2M) was driven by the mobile core business and the continued shift from prepaid to contract offers as well as solid demand for mobile WiFi routers. The number of A1 Digital M2M customers continued to increase in Q1 2022. Despite of the growing M2M subscriber base, Group ARPU (which is diluted by low-ARPU M2M subscribers) grew by 1.2% in the reviewed period.

The number of revenue-generating units (RGUs) in the Group's fixed-line business remained flat (-0.1%) year-on-year. In Austria, the number of RGUs declined, driven by fewer voice RGUs and low-bandwidth broadband, which could not be offset by the continued solid demand for high-bandwidth products in Q1 2022. In the international markets, the number of RGUs rose mainly due to increasing high-bandwidth broadband RGUs, particularly in Belarus and Croatia, while TV RGUs also grew in most of the markets.

Overall, the Internet@home customer base increased by 4.5% in the Group, driven by the increase in mobile WiFi router numbers in all markets. Bulgaria, Croatia and Belarus contributed to that growth in particular.

## Comments on Operating Segments for Q1 2022 – Revenues and EBITDA

### Austria

#### Key performance indicators

#### Financials

in EUR million	Q1 2022	Q1 2021	% change
Total revenues	663.7	657.4	1.0
Total Service revenues	588.5	581.1	1.3
Total Equipment revenues	60.2	65.2	-7.7
Other operating income	15.1	11.2	35.2
Wireless revenues	301.7	293.9	2.6
Service revenues	249.1	236.6	5.3
Equipment revenues	52.6	57.4	-8.4
Fixed-line revenues	347.0	352.3	-1.5
Service revenues	339.4	344.5	-1.5
Equipment revenues	7.6	7.8	-2.6
EBITDA before restructuring	265.6	250.0	6.3
% of total revenues	40.0%	38.0%	
EBITDA	244.6	228.9	6.8
% of total revenues	36.8%	34.8%	
EBIT	106.6	94.2	13.2
% of total revenues	16.1%	14.3%	
Wireless indicators	Q1 2022	Q1 2021	% change
Wireless subscribers (thousands)	5,095.1	5,025.4	1.4
Mobile churn (%)	1.0%	1.8%	
Wireline indicators	Q1 2022	Q1 2021	% change
RGUs (thousands)	3,019.0	3,123.4	-3.3

In Q1 2022, trends remained mostly unchanged in Austria. In the mobile market, dynamics continued to be comparably low which resulted in lower gross additions and churn. High-value handset availability continued to be limited to a certain extent. In this context, subsidies were well-below last year's level.

For A1, all in all, this also benefitted the equipment margin. After the Christmas promotion campaign, A1 5G tariffs are sold with a premium over LTE tariffs and the overall share of these tariffs in the portfolio continued to rise solidly. Demand for mobile WiFi routers remained solid, as was the appeal for higher-bandwidth products, also in the fixed-line business while RGU loss continued to be driven by voice and low-bandwidth customers. A1's broadband campaign is gaining a good traction for the planned amplified fiber roll-out. Growth momentum as in previous quarters also continued in the solution and connectivity business albeit Q1 2021 profited from the restart of projects which resulted in a very strong performance in the comparison period.

Total revenues in the Austrian segment increased in the reporting period as the growth in service revenues and other operating income prevailed lower equipment revenues. Due to the unchanged market environment equipment sales decreased along with subsidies provided.

Mobile service revenues rose on the back of the solid retail business as well as recovering customer and visitor roaming due to more travelling and returning winter tourism compared to the same period last year. Continued good demand for high and low-value tariffs, mobile WiFi routers, as well as inflation-

New Internet@home portfolio instrumental in customers' upselling

linked pricing measures from April 2021 resulted in higher ARPU, while subscribers also grew in all categories.

Fixed-line service revenues decreased since continued solid traction of solution and connectivity business could not fully compensate for declining retail fixed-line service revenues as well as lower interconnection revenues. The latter declined due to EU IC regulation coming into force as of January 2022 (no effect on EBITDA). The successful upselling of high-bandwidth products and the indexation measures could only temper the continued trend of voice RGU losses as well as lower usage. ARPL remained stable due to upselling measures compensating for negative impacts from IC regulation.

The activation fee and the annual service fee were increased for new mobile customers and tariff switches in February 2022. As of April 1, 2022, an indexation of approximately 2.8% became effective for certain residential contract products in the mobile and fixed-line businesses.

EBITDA before restructuring growth of 6.3% year-on-year (reported: + 6.8%) was driven by the improvement in the equipment margin as well as the increase in service revenues. Core OPEX increased due to an increase in electricity costs, as well as product-related increases like for content and licenses. Costs and expenses for commissions, advertising and bad debts came in lower while total workforce costs remained almost stable. The equipment margin profited from the above-mentioned unchanged dynamics on the market and corresponding lower subsidies granted as well as better marketing support.

### International operations

#### Key performance indicators

##### Financials

in EUR million	Q1 2022	Q1 2021	% change
Total revenues	508.4	483.7	5.1
Total Service revenues	404.6	379.9	6.5
Total Equipment revenues	95.1	96.8	-1.7
Other operating income	8.8	7.0	24.8
Wireless revenues	388.8	375.7	3.5
service revenues	299.3	283.7	5.5
Equipment revenues	89.5	92.0	-2.7
Fixed-line revenues	110.9	101.0	9.8
service revenues	105.3	96.2	9.5
Equipment revenues	5.6	4.8	17.1
EBITDA	198.8	182.5	8.9
% of total revenues	39.1%	37.7%	
EBIT	100.9	83.7	20.5
% of total revenues	19.8%	17.3%	

Wireless indicators	Q1 2022	Q1 2021	% change
Wireless subscribers (thousands)	14,837.3	14,722.9	0.8
Wireline indicators	Q1 2022	Q1 2021	% change
RGUs (thousands)	2,924.3	2,965.3	-1.4

In the first quarter of 2022, all international operations of A1 Telekom Austria Group posted growth in service revenues and EBITDA, reflecting the continuation of solid operational trends. The main contributors to EBITDA growth in the reporting period were Belarus, Bulgaria, Serbia and Croatia. Service revenues and EBITDA grew by 6.5% and 8.9% respectively. The FX effect was only marginal.

EBITDA before restructuring  
increased by 6.3%

EBITDA increased by 8.9% in  
CEE markets

### *Bulgaria*

In Bulgaria, the results continued to show a sustainable growth path and positive market dynamics prevailed in the first quarter of 2022 with strong service revenue trends in the fixed-line business but also a solid growth in the mobile business. Successful upselling and solid demand for mobile WiFi routers shaped the mobile business, while in the fixed-line business TV bundles with higher broadband speeds were highly sought-after. A1 continued to offer their new mobile portfolio with 5G tariffs, having the premium in place over the regular LTE tariffs. Additionally, the solutions and connectivity business remained an important growth factor due to ongoing high demand for security services and IT solutions.

Total revenues increased by 3.7%, as service revenue growth of 8.5% more than compensated for declining equipment revenues which dropped due to moderate quantities sold. Total costs and expenses also went up, mainly due to increased electricity costs, as well as higher costs for content and for licenses. Overall, the strong service revenue growth enabled EBITDA to grow by 6.7% in the reporting period.

### *Croatia*

In Croatia, market dynamics remained largely unchanged compared to the previous quarter. The mobile market was competitive and A1 tackled it with its redesigned mobile portfolio with 5G propositions, attractive hardware and higher subsidy levels. The broadband RGU base increased as the growth in high-bandwidth RGUs compensated for the ongoing decline in voice RGUs.

Total revenues slightly increased by 1.5% in the reporting period as solid mobile and fixed-line revenue growth offset the lower interconnection and equipment revenues. The latter decline is accounted for lower traffic and quantities sold. Core OPEX slightly decreased by 0.7%, as lower network maintenance costs and improved bad debt more than compensated higher workforce and energy costs. EBITDA improved by 6.3% in the reporting period as the negative equipment margin was compensated by service revenue growth and core OPEX decline.

### *Belarus*

As in the previous quarters, in Belarus, the competitive landscape remained mostly unchanged with all operators focusing on subscriber retention and upselling of their existing customer base to higher-value offers as customer acquisition continued to be challenging. The operating performance continued to be strong both in the fixed and the mobile business. The military conflict in Ukraine left a mark on the macroeconomic developments and on the Belarusian ruble. After the positive FX developments in January and February, the currency experienced a strong pressure in March. The period average depreciation was 0.5%, while for the period end it was 12.9%. Inflation was 15.9% year-on-year. The European Union adopted a further set of sanctions in 2022. Sanctions are no immediate threat to the business continuity of A1 Belarus, although supply chain with key vendors have been interrupted. There is an ongoing process to re-establish deliveries under the sanction framework and telco exception rules. On the operational side, A1 sees stable consumer demand for telco services but also recent stagnation in ICT growth and new business projects.

Total revenues increased by 6.8% (in local currency +7.3%) driven by higher service revenues but lower equipment revenues. Service revenues rose due to the strong performance of mobile high-value tariffs, upselling to multi-play offers and higher broadband speeds in the fixed-line business as well as the solid contribution from the solution and connectivity business. Additionally, inflation-linked price measures implemented both in the fixed-line and mobile business earlier in 2021 and in January 2022, contributed to the growth. Total OPEX increased by 1.7%, mainly driven by capacity driven corporate network costs, roaming and content costs as well as certain other FX related costs. As strong service revenue growth was able to compensate for higher operating costs and expenses, EBITDA rose by 12.9%. Excluding FX effects, EBITDA rose by 13.5%.

### *Other segments*

In Slovenia the market remained competitive in the first quarter of the year. A1 continued to offer its re-designed mobile portfolio, which includes 5G propositions, while successful customer acquisition continued in the fixed-line business. Total revenues increased slightly (+1.2%), as somewhat higher service revenues, which got a tailwind from solution and connectivity business and roaming could compensate for lower equipment revenues. Total workforce costs and electricity rose, driving core OPEX higher. The equipment margin was positive due to lower subsidies and higher marketing support and also resulted in EBITDA growth.

In Serbia, the positive market trends continued and A1 successfully attracted customers by NEO tariffs resulting in strong service revenue growth of 9.6% in the first of quarter of 2022. The equipment sales growth of 30.6% was driven by a higher average revenue per device, despite lower quantities sold and higher revenues from accessories, but also by an unusually low comparable in 2021. EBITDA grew by 15.3% year-on-year, since solid revenue growth more than compensated for increased total costs and expenses. The latter increased mainly due to higher workforce costs.

In North Macedonia, positive trends continued and the market environment has been supportive in the reporting period, with A1 growing both in the mobile and the fixed-line business year-on-year. A1 continued to successfully monetize a solid demand for high-value tariffs while attractive convergent offers continued to shape the fixed-line business. Service revenues grew by 7.0%, while equipment revenues declined slightly. EBITDA grew by 3.1% on the back of above mentioned revenue growth, despite higher total operating expenses. The latter were strained by higher electricity costs.



## Group profit and loss – below EBITDA

In the first quarter of 2022, **depreciation and amortization** (incl. rights of use) increased slightly (+1.0%) and amounted to EUR 237.4 mn compared to EUR 235.0 in Q1 2021.

**Operating income** increased by 18.9% from EUR 163.3 mn in Q1 2021 to EUR 194.2 mn in the quarter under review.

**Net result** increased by 20.0% to EUR 130.7 mn in the first quarter of 2022, as solid operational result more than outweighed higher income tax expenses. The latter came in higher due to the improved operational result, as well as the increased corporate income tax rate in Serbia.

Net result increased by 20.0%  
in the reporting period

## Balance Sheet

As of March 31, 2022, the balance sheet total increased by 5.1% compared to December 31, 2021, mainly due to higher current assets while non-current assets decreased slightly. Current assets rose on the back of higher cash and cash equivalents owing to the cash generation in the reporting period and proceeds from a financing amounting to EUR 300 mn received for the EUR 750 mn bond repayment in April 2022. Non-current assets decreased slightly due to lower other intangible assets and lower property, plant and equipment.

Current liabilities rose, driven by higher short-term debt due to the above mentioned short-term financing amounting to EUR 300 mn. The increase in current liabilities, to a lesser extent, was also driven by higher accounts payable. Non-current liabilities were lower mainly due to a decline of lease-liabilities owing to lease payments in the reporting period.

## Net Debt

Net debt (excl. leases) declined by 8.5% year-to-date (21.7% y-o-y), driven by solid free cash flow generation. Net debt (excl. leases) / EBITDA after leases decreased from 1.3x as of December 31, 2021 to 1.2x as of March 31, 2022. (1.5x as of March 2021)

in EUR million	Mar 31, 2022	Dec 31, 2021	% change
Net debt (excl. leases)	1,889.9	2,064.9	-8.5
Net debt (excl. leases) / EBITDA after leases (12 months)	1.2x	1.3x	

in EUR million	Mar 31, 2022	Dec 31, 2021	% change
Long-term debt	1,046.4	1,046.1	0.0
Lease liability long-term	577.3	606.1	-4.7
Short-term debt	1,850.0	1,553.2	19.1
Lease liability short-term	163.6	161.0	1.6
Cash and cash equivalents	-1,006.5	-534.4	-88.3
Net debt (incl. leases)	2,630.8	2,832.0	-7.1
Net debt (incl. leases) / EBITDA (12 months)	1.5x	1.7x	

## Cash flow

(in EUR million)	Q1 2022	Q1 2021	% change
EBITDA	431.6	398.3	8.4
Restructuring charges and cost of labor obligations	22.5	21.5	4.6
Lease paid (principal, interest and prepayments)	-65.6	-59.8	-9.8
Income taxes paid	-16.5	-3.8	n.m.
Net interest paid	0.2	-1.0	n.m.
Change working capital and other changes	29.9	46.3	-35.4
Capital expenditures	-179.6	-204.0	11.9
Free Cash Flow (FCF) before social plans	222.4	197.6	12.6
Social plans new funded*	-25.4	-23.5	-7.9
FCF after social plans new	197.1	174.1	13.2

\* Cost for social plans granted in the respective period.

In Q1 2022, free cash flow rose by 13.2% and amounted to EUR 197.1 mn. The increase was mainly driven by improved EBITDA and the positive effect this year from the frequency auction deposit in Q1 2021 (included in working capital changes). This more than compensated for higher income taxes paid and lower other working capital inflows. Higher income taxes paid came mainly from the improved operational result and higher tax prepayments.

## Capital expenditures

In the first quarter of 2022, capital expenditures declined by 11.9% year-on-year due to lower investments in Austria, driven by lower spend for 5G roll-out. As a result, Group tangible capital expenditures decreased by 11.3% year-on-year. Intangible CAPEX decreased, as in the quarter under review, there was no investment for spectrum, while in the comparison period that amounted to EUR 3.2 mn (incl.fees).

## Detailed Figures

### Revenues

in EUR million	Q1 2022	Q1 2021	% change
Austria	663.7	657.4	1.0
Bulgaria	137.0	132.2	3.7
Croatia	107.5	105.9	1.5
Belarus	98.7	92.4	6.8
Slovenia	52.0	51.4	1.2
Serbia	81.0	70.7	14.5
North Macedonia	33.2	31.5	5.3
Corporate & other, eliminations	-6.6	-6.0	n.m.
<b>Total revenues</b>	<b>1,166.4</b>	<b>1,135.5</b>	<b>2.7</b>

### Service Revenues

in EUR million	Q1 2022	Q1 2021	% change
Austria	588.5	581.1	1.3
Bulgaria	114.9	105.9	8.5
Croatia	90.3	88.4	2.1
Belarus	74.0	67.5	9.7
Slovenia	38.7	38.2	1.5
Serbia	60.3	55.0	9.6
North Macedonia	27.0	25.2	7.0
Corporate & other, eliminations	-5.6	-5.7	n.m.
<b>Total service revenues</b>	<b>988.2</b>	<b>955.7</b>	<b>3.4</b>

### Mobile Service Revenues

in EUR million	Q1 2022	Q1 2021	% change
Austria	249.1	236.6	5.3
Bulgaria	74.8	70.7	5.7
Croatia	59.0	57.5	2.6
Belarus	60.3	56.1	7.6
Slovenia	27.6	27.4	0.6
Serbia	57.5	53.2	8.2
North Macedonia	20.7	19.1	8.4
Corporate & other, eliminations	-1.6	-1.6	n.m.
<b>Total mobile service revenues</b>	<b>547.4</b>	<b>518.9</b>	<b>5.5</b>

### Fixed-line Service Revenues

in EUR million	Q1 2022	Q1 2021	% change
Austria	339.4	344.5	-1.5
Bulgaria	40.1	35.1	14.1
Croatia	31.3	30.9	1.3
Belarus	13.7	11.4	20.0
Slovenia	11.2	10.8	3.7
Serbia	2.8	1.9	48.1
North Macedonia	6.2	6.1	2.4
Corporate & other, eliminations	-4.0	-4.0	n.m.
<b>Total fixed line service revenues</b>	<b>440.7</b>	<b>436.8</b>	<b>0.9</b>

### Other operating income

in EUR million	Q1 2022	Q1 2021	% change
Austria	15.1	11.2	35.2
Bulgaria	1.3	1.2	5.5
Croatia	1.4	1.1	26.9
Belarus	3.1	2.3	36.3
Slovenia	1.4	1.1	21.2
Serbia	1.5	1.0	52.2
North Macedonia	0.3	0.4	-14.8
Corporate & other, eliminations	-1.0	-0.4	n.m.
<b>Total other operating income</b>	<b>23.0</b>	<b>17.8</b>	<b>29.4</b>

## EBITDA

in EUR million	Q1 2022	Q1 2021	% change
Austria	244.6	228.9	6.8
Bulgaria	59.3	55.6	6.7
Croatia	38.0	35.7	6.3
Belarus	47.5	42.0	12.9
Slovenia	15.6	14.7	6.1
Serbia	27.1	23.5	15.3
North Macedonia	11.3	10.9	3.1
Corporate & other, eliminations	-11.7	-13.2	10.8
<b>Total EBITDA</b>	<b>431.6</b>	<b>398.3</b>	<b>8.4</b>
before Restructuring	452.7	419.3	7.9

## EBITDA after Leases\*

in EUR million	Q1 2022	Q1 2021	% change
Austria	224.4	209.2	7.2
Bulgaria	52.4	48.8	7.4
Croatia	34.0	32.0	6.3
Belarus	44.7	39.2	14.0
Slovenia	10.8	10.0	7.8
Serbia	23.3	19.4	20.0
North Macedonia	9.7	9.4	3.5
Corporate & other, eliminations	-11.9	-13.3	10.6
<b>Total EBITDA after leases</b>	<b>387.4</b>	<b>354.7</b>	<b>9.2</b>

\* EBITDA after leases is defined as EBITDA plus depreciation of right-of-use assets and interest expense on lease liabilities

## EBITDA per segment - adjusted for FX-, one-off effects and restructuring charges

in EUR million	Q1 2022	Q1 2021	% change
Austria	265.6	250.0	6.3
Bulgaria	59.3	55.6	6.7
Croatia	37.9	35.7	5.9
Belarus	47.7	42.0	13.5
Slovenia	15.6	14.7	6.1
Serbia	27.1	23.5	15.3
North Macedonia	11.3	10.9	3.1
Corporate & other, eliminations	-11.7	-13.2	n.m.
<b>Total adjusted EBITDA</b>	<b>452.8</b>	<b>419.3</b>	<b>8.0</b>

## Group EBITDA - adjustments for FX-, one-off effects and restructuring charges

in EUR million	Q1 2022	Q1 2021	% change
<b>EBITDA</b>	<b>431.6</b>	<b>398.3</b>	<b>8.4</b>
FX translation effect	0.1	0.0	n.a.
One-off effects	0.0	0.0	n.a.
Restructuring charges	21.1	21.0	0.3
<b>EBITDA - excl. FX-, one off effects and restructuring charges</b>	<b>452.8</b>	<b>419.3</b>	<b>8.0</b>

## Austria EBITDA - adjustments for one-off effects and restructuring charges

in EUR million	Q1 2022	Q1 2021	% change
<b>EBITDA</b>	<b>244.6</b>	<b>228.9</b>	<b>6.8</b>
One-off effects	0.0	0.0	n.a.
Restructuring charges	21.1	21.0	0.3
<b>EBITDA excl. one off effects and restructuring charges</b>	<b>265.6</b>	<b>250.0</b>	<b>6.3</b>

## EBITDA after leases – adjusted for FX-, one-off effects and restructuring charges

in EUR million	Q1 2022	Q1 2021	% change
<b>EBITDA after leases</b>	<b>387.4</b>	<b>354.7</b>	<b>9.2</b>
FX translation effect	0.1	0.0	n.a.
One-off effects	0.0	0.0	n.a.
Restructuring charges	21.1	21.0	0.3
<b>EBITDA after leases - excl. FX-, one-off effects and restructuring charges</b>	<b>408.6</b>	<b>375.7</b>	<b>8.7</b>

## Depreciation and Amortization

in EUR million	Q1 2022	Q1 2021	% change
Austria	137.9	134.8	2.4
Bulgaria	28.4	28.9	-1.9
Croatia	23.6	24.5	-3.9
Belarus	13.9	14.1	-1.6
Slovenia	12.5	11.1	12.5
Serbia	13.0	13.5	-3.5
North Macedonia	6.8	6.9	-1.5
Corporate & other, eliminations	1.3	1.2	7.1
<b>Total D&amp;A</b>	<b>237.4</b>	<b>235.0</b>	<b>1.0</b>

## EBIT

in EUR million	Q1 2022	Q1 2021	% change
Austria	106.6	94.2	13.2
Bulgaria	31.0	26.7	16.0
Croatia	14.4	11.2	28.7
Belarus	33.6	27.9	20.2
Slovenia	3.1	3.6	-13.7
Serbia	14.1	10.1	40.3
North Macedonia	4.5	4.0	10.9
Corporate & other, eliminations	-13.0	-14.4	9.3
<b>Total EBIT</b>	<b>194.2</b>	<b>163.3</b>	<b>18.9</b>

### Reconciliation of Free Cash Flow

(in EUR million)	Q1 2021	Q1 2021	% change
FCF after social plans new	197.1	174.1	13.2
Social plans new funded*	25.4	23.5	
Total social plans paid*	-24.7	-25.4	
FCF - previously reported	197.8	172.2	14.9

\* Cost for social plans granted.

### Capital Expenditures

in EUR million	Q1 2022	Q1 2021	% change
Total capital expenditures - tangible	144.6	163.0	-11.3
Total capital expenditures - intangible	35.1	41.0	-14.6
<b>Total capital expenditures</b>	<b>179.6</b>	<b>204.0</b>	<b>-11.9</b>

### Wireless subscribers

in thousands	Q1 2022	Q1 2022	% change
Austria	5,095.1	5,025.4	1.4
Bulgaria	3,728.4	3,732.3	-0.1
Croatia	1,981.3	1,942.0	2.0
Belarus	4,901.5	4,915.3	-0.3
Slovenia	698.5	706.3	-1.1
Serbia	2,438.0	2,349.0	3.8
North Macedonia	1,089.5	1,078.1	1.1
<b>Total wireless subscribers</b>	<b>22,921.2</b>	<b>21,931.7</b>	<b>4.5</b>

### RGUs

in thousands	Q1 2022	Q1 2021	% change
Austria	3,019.0	3,123.4	-3.3
thereof broadband	1,339.0	1,375.3	-2.6
Bulgaria	1,127.9	1,089.4	3.5
Croatia	690.0	669.3	3.1
Belarus	664.1	643.8	3.1
Slovenia	220.0	214.5	2.6
North Macedonia	352.9	341.7	3.3
Total RGUs	6,073.9	6,082.1	-0.1
thereof broadband	2,605.5	2,562.4	1.7

### Belarus Key Financial in EUR and BYN

Due to the impact on the consolidated results of occasionally substantial fluctuations in the Belarusian Ruble, the performance of the Belarusian segment is also presented in local currency.

in EUR million	Q1 2022	Q1 2021	% change
Total revenues	98.7	92.4	6.8
Total costs and expenses	-51.2	-50.4	-1.7
EBITDA	47.5	42.0	12.9

in BYN million	Q1 2022	Q1 2021	% change
Total revenues	310.5	289.3	7.3
Total costs and expenses	-161.2	-157.7	-2.2
EBITDA	149.3	131.6	13.5



## Condensed Consolidated Financial Statements

### Condensed Consolidated Statement of Comprehensive Income

in EUR million, except per share information	Q1 2022 unaudited	Q1 2021 unaudited
Service revenues	988.2	955.7
Equipment revenues	155.3	162.1
Other operating income	23.0	17.8
<b>Total revenues (incl. other operating income)</b>	<b>1,166.4</b>	<b>1,135.5</b>
Cost of service	-338.1	-323.6
Cost of equipment	-147.7	-164.2
Selling, general & administrative expenses	-246.9	-246.7
Other expenses	-2.2	-2.7
<b>Total cost and expenses</b>	<b>-734.8</b>	<b>-737.2</b>
<b>Earnings before interest, tax, depreciation and amortization - EBITDA</b>	<b>431.6</b>	<b>398.3</b>
Depreciation and amortization	-195.8	-194.7
Depreciation of right-of-use assets	-41.5	-40.3
<b>Operating income - EBIT</b>	<b>194.2</b>	<b>163.3</b>
Interest income	1.2	1.0
Interest expense	-18.6	-24.9
Interest on employee benefits and restructuring and other financial items, net	-2.4	-1.4
Foreign currency exchange differences, net	-5.2	-0.4
Equity interest in net income of associated companies	-1.0	0.0
<b>Financial result</b>	<b>-26.0</b>	<b>-25.8</b>
<b>Earnings before income tax - EBT</b>	<b>168.2</b>	<b>137.5</b>
Income tax	-37.6	-28.6
<b>Net result</b>	<b>130.7</b>	<b>108.9</b>
Attributable to:		
Equity holders of the parent	130.5	108.7
Non-controlling interests	0.1	0.2
<b>Earnings per share attributable to equity holders of the parent in euro*</b>	<b>0.20</b>	<b>0.16</b>
Weighted-average number of ordinary shares outstanding	664,084,841	664,084,841
<b>Other comprehensive income items:</b>		
<b>Items that may be reclassified to profit or loss:</b>		
Effect of translation of foreign entities	-37.8	5.5
Realized result on hedging activities, net of tax	1.1	1.1
Unrealized result on debt instruments at fair value, net of tax	-0.7	0.0
<b>Items that will not be reclassified to profit or loss:</b>		
Remeasurement of defined benefit obligations, net of tax	-0.3	3.8
<b>Total other comprehensive income (loss)</b>	<b>-37.7</b>	<b>10.4</b>
<b>Total comprehensive income (loss)</b>	<b>93.0</b>	<b>119.3</b>
Attributable to:		
Equity holders of the parent	92.9	119.1
Non-controlling interests	0.1	0.2

\*basic and diluted

## Condensed Consolidated Statement of Financial Position

in EUR million	March 31, 2022 unaudited	Dec. 31, 2021 audited
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,006.5	534.4
Short-term investments	108.4	87.4
Accounts receivable: Subscribers, distributors and other, net	768.3	782.4
Receivables due from related parties	3.5	4.1
Inventories, net	116.4	92.8
Income tax receivable	3.0	2.1
Other current assets, net	176.0	179.1
Contract assets	98.3	103.6
<b>Total current assets</b>	<b>2,280.4</b>	<b>1,785.8</b>
<b>Non-current assets</b>		
Property, plant and equipment, net	2,863.4	2,875.8
Right-of-use assets, net	756.6	762.3
Intangibles, net	1,636.2	1,670.2
Goodwill	1,283.3	1,285.8
Investments in associated companies	1.0	0.0
Long-term investments	136.6	141.5
Deferred income tax assets	27.7	27.7
Other non-current assets, net	23.8	23.6
<b>Total non-current assets</b>	<b>6,728.6</b>	<b>6,786.8</b>
<b>TOTAL ASSETS</b>	<b>9,009.0</b>	<b>8,572.6</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Short-term debt	1,850.0	1,553.2
Lease liabilities short-term	163.6	161.0
Accounts payable	810.1	736.9
Accrued liabilities and current provisions	247.1	253.3
Income tax payable	55.5	29.8
Payables due to related parties	0.9	0.6
Contract liabilities	211.5	205.6
<b>Total current liabilities</b>	<b>3,338.6</b>	<b>2,940.4</b>
<b>Non-current liabilities</b>		
Long-term debt	1,046.4	1,046.1
Lease liabilities long-term	577.3	606.1
Deferred income tax liabilities	20.9	24.6
Other non-current liabilities	28.3	44.4
Asset retirement obligation and restructuring	564.6	573.6
Employee benefits	224.6	222.1
<b>Total non-current liabilities</b>	<b>2,462.0</b>	<b>2,516.8</b>
<b>Stockholders' equity</b>		
Capital stock	1,449.3	1,449.3
Treasury shares	-7.8	-7.8
Additional paid-in capital	1,100.1	1,100.1
Retained earnings	1,445.9	1,315.3
Other comprehensive income (loss) items	-781.3	-743.7
<b>Equity attributable to equity holders of the parent</b>	<b>3,206.1</b>	<b>3,113.3</b>
Non-controlling interests	2.2	2.1
<b>Total stockholders' equity</b>	<b>3,208.4</b>	<b>3,115.4</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>9,009.0</b>	<b>8,572.6</b>

## Condensed Consolidated Statement of Cash Flows

in EUR million	Q1 2022 unaudited	Q1 2021 unaudited
Earnings before income tax - EBT	168.2	137.5
Depreciation	134.3	129.7
Amortization of intangible assets	61.6	65.0
Depreciation of right-of-use assets	41.5	40.3
Equity interest in net income of associated companies	1.0	0.0
Result on sale/measurement of investments	1.1	-0.1
Result on sale of property, plant and equipment	0.9	1.6
Net period cost of labor obligations and restructuring	23.5	22.5
Foreign currency exchange differences, net	5.2	0.4
Interest income	-1.2	-1.0
Interest expense	18.9	25.5
Other adjustments	-1.1	-0.2
Non-cash and other reconciliation items	285.6	283.8
Accounts receivable: Subscribers, distributors and other, net	-1.7	12.1
Prepaid expenses	0.2	-0.6
Due from related parties	0.6	-0.1
Inventories	-25.7	-2.9
Other assets	-1.8	-1.9
Contract assets	5.1	0.4
Accounts payable and accrued liabilities	57.6	18.6
Due to related parties	0.3	0.0
Contract liabilities	6.3	15.1
Working capital changes	40.9	40.6
Employee benefits and restructuring paid	-26.3	-26.5
Interest received	1.7	1.0
Income taxes paid	-16.5	-3.8
<b>Net cash flow from operating activities</b>	<b>453.7</b>	<b>432.6</b>
Capital expenditures paid	-194.2	-201.0
Proceeds from sale of plant, property and equipment	0.5	0.5
Purchase of investments	-23.7	-25.1
Proceeds from sale of investments	5.1	11.3
Investments in associated companies	-2.0	0.0
<b>Net cash flow from investing activities</b>	<b>-214.4</b>	<b>-214.2</b>
Interest paid	-4.3	-5.6
Change in short-term debt	297.0	0.8
Deferred consideration paid for business combinations	-1.3	0.0
Lease principal paid	-57.9	-54.3
<b>Net cash flow from financing activities</b>	<b>233.5</b>	<b>-59.2</b>
Adjustment to cash flows due to exchange rate fluctuations, net	-0.8	0.5
<b>Net change in cash and cash equivalents</b>	<b>472.0</b>	<b>159.7</b>
Cash and cash equivalents beginning of period	534.4	210.9
Cash and cash equivalents end of period	1,006.5	370.6

## Additional Information

### Risks and Uncertainties

A1 Telekom Austria Group faces various risks and uncertainties which could affect its results. For further details about these risks and uncertainties, please refer to the A1 Telekom Austria Group Annual Financial Report 2021, pp. 24 ff.

### Waiver of Review

This financial report of the A1 Telekom Austria Group contains quarterly and half-year results which have not been audited or reviewed by a certified public accountant.

### Other

The use of automated calculation systems may give rise to rounding differences.

The reported results include depreciation and amortization of fair value adjustments resulting from past business combinations and therefore may deviate from the result of the single financial statements.

n.m. - not meaningful, used for percentage changes >300% and others which are not meaningful.

n.a. - not applicable, e.g. for divisions by zero.

### Disclaimer

Disclaimer for forward-looking statements: This document contains forward-looking statements. These forward-looking statements are usually accompanied by words such as 'believe', 'intend', 'anticipate', 'plan', 'expect' and similar expressions. Actual events may differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Neither A1 Telekom Austria Group nor any other person accepts any liability for any such forward-looking statements. A1 Telekom Austria Group will not update these forward-looking statements, whether due to changed factual circumstances, changes in assumptions or expectations. This report does not constitute a recommendation or invitation to purchase or sell securities of A1 Telekom Austria Group.

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